

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	State 43-16-1H
Proposed Implementation Date:	2014
Proponent:	Whiting Oil and Gas
Location:	T24N-R59E-Sec 16
County:	Richland

I. TYPE AND PURPOSE OF ACTION

Whiting Oil and Gas (Henceforth referred to as the proponent) has requested to construct an oil well and pad site on the section of Trust Land mentioned above. This section of land is managed by the Montana Department of Natural Resources Eastern Land Office. This oil well will be drilled into the Bakken Formation. The size of the pads is to be constructed will be approximately 7.61. All pits will be constructed on cuts and will not be allowed on fills. This project will be located in the SE ¼ of T24N R59E S16 in Richland Co.

II. PROJECT DEVELOPMENT

The proponent has completed the proper applications to begin drilling and construction of the well site. The Eastern land office has completed a field evaluation of the site and surrounding area on March 19, 2014. The grazing lessee of the section has been contacted the surface damage agreement has been signed.

2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:

DNRC Board of Oil and Gas

3. ALTERNATIVES CONSIDERED:

Alternative A- Allow the proponent to construct the well pad and begin drilling. This alternative would continue the current land use of grazing. Plus allow for increased revenue to the school trust through mineral royalties. All construction of this project will be reclaimed upon termination of the well. All disturbed areas that are not part of the operation of this well will be reclaimed.

Alternative B- No action, current land use of grazing and mineral management would not change. Additional disturbance to soils, vegetation, wildlife and other impacts will be avoided. The value of state owned crude oil resources may not be captured to its full potential. Resources may be tapped in other areas that will draw from State owned minerals.

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" if no impacts are identified or the resource is not present.*

4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.

Site is composed of thin silty soils. Geologic features in the area include rolling hills, and prairie. Erosion risks in this area are typically low to moderate. Erosion observations show low erosion evidence.

Alternative A- Some soil disturbance may occur at the drill site and pad through cutting and filling to level the pad. There could also be some further cut fill operations on the road with crown building of the road surface. This disturbance should be minimal to moderate in nature. Any construction would be designed to reduce the amount of erosion on the site. This site may require some moderate cut and fill operations to level the pad sites

prior to drilling. Reclamation efforts would involve sloping the cuts to a natural contour and reseeding the site to prevent erosion and re-establish native range species.

Alternative B- No Impact.

5. WATER QUALITY, QUANTITY AND DISTRIBUTION:

Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.

Alternative A- There is potential for erosion in a strong rain event. These sediments could potentially be carried down slope into the drainages. This can be mitigated by reseeding disturbed areas to a native grass mixture prepared by the Eastern Land Office. Other control measures may also be utilized depending on the specific needs of the site.

Alternative B- No Impact

6. AIR QUALITY:

What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.

Alternative A- Pollutants and Particulates will be increased during the construction of the project. After the completion of the project pollutant and particulate levels will return to normal.

Alternative B- No Impact

7. VEGETATION COVER, QUANTITY AND QUALITY:

What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.

Alternative A- There could be disruption to some of the vegetation currently growing at the site. Current plant species include, but are not limited to, Crested Wheatgrass (*Agropyron cristatum*), Western Wheatgrass (*Agropyron smithii*), Blue Grama (*Bouteloua gracilis*), Sandberg Bluegrass (*Poa secunda*), Green Needlegrass (*Stipa viridula*), Sandberg Bluegrass (*Poa secunda*), and Cheatgrass (*Bromus tectorum*) and various forbs and shrubs. No rare plant species were noted during the inspection. After the reclamation has taken place the site will be seeded back to native grass species.

Alternative B- No Impact

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:

Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify cumulative effects to fish and wildlife.

Alternative A- There could be minimal disruption to the wildlife that inhabit the area. The primary species in the area consist of antelope, mule deer, burrowing rodents, jack rabbits, raptors, migratory and prairie birds and others. The area of proposed development is located in an area of dense oil and gas production.

Alternative B- No Impact

9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:

Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.

Alternative A- A search of the Montana Natural Heritage Program shows no species of concern or endangered species on this site.

Alternative B- No Impact

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

Identify and determine effects to historical, archaeological or paleontological resources.

Alternative A- Upon inspection of the parcels by the Eastern Land Office staff no significant findings were noted within the area of the proposed well site. A search of the TLMS database shows a historic homestead foundation located in the SW SE1/4, and will not be in the area that the pad will be located in.

Alternative B- No Impact

11. AESTHETICS:

Determine if the project is located on a prominent topographic feature, or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.

Alternative A- This will temporally change the appearance of the landscape. But the addition of reclamation efforts will make the site more aesthetically pleasing then it is currently. Noise levels will be increased during the project but will return to normal after the completion.

Alternative B- No Impact

12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:

Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.

Alternative A-This project would have an effect on the amount of limited resources. The amount of oil to be extracted is currently unknown.

Alternative B- No Impact

13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:

List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.

None

IV. IMPACTS ON THE HUMAN POPULATION
<ul style="list-style-type: none">• RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.• Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.• Enter "NONE" if no impacts are identified or the resource is not present.

14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

Alternative A- There may be potential safety risks for laborers but the potential risk is minimal with proper safety efforts.

Alternative B- No Impact

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

Identify how the project would add to or alter these activities.

Alternative A- It would have a positive effect on Industrial, Commercial Activities and Production.

Alternative B- No Impact

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.

Alternative A- This project has the potential to create jobs with further development possibilities.

Alternative B- No Impact

17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.

Alternative A- Potential tax revenue is currently unknown at this time.

Alternative B- No Impact

18. DEMAND FOR GOVERNMENT SERVICES:

Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services

Alternative A- Traffic would be increased but this is a remote area so little assistance would be needed. Traffic increases would consist of oil well construction, servicing and monitoring personnel and vehicles. There would be little or no need for additional government services.

Alternative B- No Impact

19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:

List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.

Alternative A- No Impact

Alternative B- No Impact

20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:

Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.

Alternative A- Recreational opportunities would stay mostly unchanged. Due to the denseness of oil and gas production in the area recreational opportunities may be affected.

Alternative B- No Impact

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:

Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.

Alternative A- No Impact Expected

Alternative B- No Impact

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

Alternative A- No Impact Expected

Alternative B- No Impact

23. CULTURAL UNIQUENESS AND DIVERSITY:

How would the action affect any unique quality of the area?

Alternative A- No Impact Expected

Alternative B- No Impact

24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:

Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.

Alternative A- Allowing this project would generate revenue for the school trust through mineral production royalties the amount of which is currently unknown at this time.

Alternative B- No Impact

EA Checklist Prepared By:	Name: Spurr Watson	Date: 3/24/2014
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V. FINDING

25. ALTERNATIVE SELECTED:

Alternative A

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

The granting of the requested oil well permit upon state owned trust lands for the proposed oil well State 43-16-1H should not result in nor cause significant environmental impacts. The proposed action satisfies the trusts fiduciary mandate and ensures the long term productivity of the land. An environmental assessment checklist is the appropriate level of analysis for the proposed action

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:☐

EIS

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More Detailed EA

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No Further Analysis

EA Checklist Approved By:	Name: Marc Aberg
	Title: Eastern Land Office; Lands Program Manager
Signature: /s/ Marc A. Aberg	Date: 3/24/2014